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Saudi Businessman Denies Link to Terrorism 4 months in jail in Bay Area -- immigration case

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Mohammed Jamal Khalifa, a wealthy Saudi businessman who runs an Islamic humanitarian organization in the Philippines and has spent the past four months in a Bay Area jail on an immigration complaint, denied any involvement yesterday in anti-U.S. terrorist activities.

The U.S. Immigration and Naturalization Service arrested the 38- year-old Khalifa in the South Bay in December. His visa was canceled because he made "false statements," an INS spokesman said.

He was visiting a cousin and exploring opportunities for his export-import business, his lawyer said.

Amid unconfirmed reports from the U.S. and other governments that portrayed Khalifa as a financier of global terrorism, the INS has held him without bail in a maximum security cell at Alameda County's Santa Rita Jail in Dublin. The agency detains prospective deportees at the facility.

Khalifa's lawyer, Marc Van Der Hout, said his client is awaiting a hearing before an immigration judge. The government's intentions for the Saudi are not clear.

"They initially charged him with being deportable for having engaged in terrorist activities," said Van Der Hout. "They dropped that halfway through his bond hearing. Then they (substituted) a charge that hadn't been used before -- enacted in 1990 -- that a person can be deported if the secretary of state has reasons to believe the alien's presence or activities could have potentially serious adverse foreign policy consequences. This is the first time they ever tried to use that statute."

Secretary of State Warren Christopher wants Khalifa deported to Jordan, rather than his native Saudi Arabia, citing a statute that lets the government switch destinations if deportation to the native country would go against U.S. interests.

Last December, a Jordanian military court convicted Khalifa in absentia of plotting terrorism. After a four-month trial, he and 10 others were found guilty of plotting and carrying out bomb attacks in theaters and liquor stores.

Van Der Hout said a Jordanian appeals court overturned Khalifa's conviction last

week and sent the case back to the trial court. He said Khalifa denies any involvement in the activities he is charged with. Van Der Hout said the only evidence the Jordanian government has against his client is a statement coerced out of another defendant, Abduul Al-Hashaika.

Al-Hashaika originally accused Khalifa of saying he would give money to the Jordanian plotters, according to Van Der Hout, but Al- Hashaika later recanted the statement in court. Al-Hashaika was a teacher at a Muslim school operated in the Philippines by Khalifa's humanitarian organization.

The Associated Press in Manila and Japan's Kyodo News Service cited Philippine government accounts alleging that Khalifa bankrolls a network of Arab terrorists. No charges have been brought against Khalifa in the Philippines or the United States.

Similar allegations have linked Khalifa to members of a group accused of terrorist bombings and attacks in the Philippines and aboard airliners between Los Angeles and Hong Kong. Included in those plots is Ramzi Yousef, who is accused of building the World Trade Center bomb that killed six people in New York two years ago.

Emphasis added